GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:1165
ANSWERED ON:01.08.2005
AGREEMENT WITH POSCO
Acharia Shri Basudeb

Will the Minister of STEEL be pleased to state:

(a) whether attention of the Government has been drawn to the recent MoUs signed between POSCO, a steel company and Government of Orissa in regard to setting up Steel Plant at Paradip with mining rights;

(b) whether specific objections to the provision for export of Iron ore from the State and also several issues, which are against national interest have been raised;

(c) is so, the details thereof;

(d) whether the Government has initiated any action in this regard; and

(e) if so, the details thereof?

Answer

MINISTER OF CHEMICALS & FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) Yes, Sir.

(b)&(c): Yes, Sir. Concerns have been expressed over assuring 600 million tonnes of iron ore to POSCO, provision of mining lease instead of providing iron ore at market rate, exchange of 30% of iron ore as mentioned in the MoU, exhausting iron ore reserves of Orissa, Central and State Government not getting any revenue by providing the facility of Special Economic Zone, evacuation of large number of people, issues related to displacement and uncertainty in giving priority in employment to the local people.

(d)&(e): The concerns raised have generally been addressed in the MoU signed between the Government of Orissa and POSCO. The Government of Orissa has also furnished required clarifications in all the local newspapers of the State.